

Page 2, line 10, replace paragraph with:

A2  
Streaming media has the disadvantages of not working with all file types and is expensive because providers must purchase different software for the various streaming media standards. Streaming media also has not proven to be a reliable transfer method. And FTP file transfers also have disadvantages, which include being technically challenging to most users, and suffering from inefficient file transfers. There are other solutions for distributing content, but they are usually proprietary and do not scale well.

Page 10, line 11, replace paragraph with:

A3  
Referring now to Figures 3A and 3B, a flowchart illustrating the process of providing an online digital marketplace for digital files in accordance with a preferred environment of the present invention is shown. The process begins when a user of the marketplace 10 logs into the marketplace website in step 48. Depending on the options chosen by the user during his/her online session, the user may become a content owner 14, a consumer 16 and/or a reseller 15.

Page 14, line 3, replace paragraph with:

A4  
Although the preferred embodiment of the present invention is described in terms of a marketplace website, the present invention may also be implemented as a peer-to-peer network to effectively distribute bandwidth and increase efficiency at which the files 12 are delivered to the consumers 16. In the peer-to-peer network embodiment, consumers 14 may donate unused bandwidth of their computers to the marketplace 10 for the delivery of files 12 to other consumers 14, thereby increasing the bandwidth allocation of the network. The affiliates of the network are paid as an incentive for donating bandwidth to the network, and for referring new consumers 16 to the marketplace 10.